

Congress of the United States
Washington, DC 20510

November 27, 2006

The Honorable Kevin J. Martin
Chairman
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Dear Chairman Martin:

Section 629 of the Communications Act, enacted in 1996, requires the Commission to promote the commercial availability of third-party set-top boxes and other consumer electronics equipment for use with multichannel video programming distribution (MVPD) systems, such as those of cable operators. Pursuant to this mandate, the Federal Communications Commission (the Commission) promulgated rules in 1998 requiring cable operators to make the security functions of their cable systems available in separable equipment which can be used with set-top boxes, televisions, and other devices offered by companies unaffiliated with the cable operators. To meet this obligation, cable operators currently make "CableCARDS" available that plug directly into the back of televisions and other consumer electronics devices for subscribers who do not wish to use the cable operators' set-top boxes.

The Commission's rules also prohibit cable operators from integrating security and non-security functions in their own set-top boxes after July 1, 2007. The intent of the ban on devices integrating both functions is to ensure the availability of reliable separable security equipment by forcing cable operators to use the same equipment themselves. The effect, however, would be to require all cable subscribers to use CableCARDS, even subscribers who prefer to use cable operators' integrated set-top boxes. In addition, such a requirement would increase costs without providing additional functionality to those subscribers. There must be a more effective way to ensure the availability of separable security for subscribers who wish to use third-party devices than foisting CableCARDS on all subscribers.

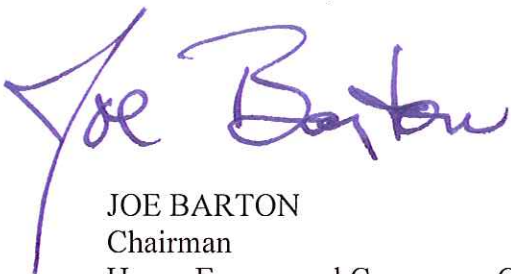
Difficulties in implementing the integration ban and rapid changes in technology have already led the Commission to delay the integration ban twice. The Commission extended the deadline to the current July 1, 2007 date to allow industry time to explore a more seamless and less expensive downloadable security solution. This solution would allow set-top boxes and other consumer electronics devices to download security automatically over a cable system rather than rely on physical CableCARDS that are

more expensive, more cumbersome to distribute, and more prone to malfunction. Cable operators, consumer electronics manufacturers, and the information technology industry have indicated that alternative solutions such as "downloadable security" are feasible. But they will require a little more time to fine tune and deploy.

Forcing a costly deployment of an outdated technology while another that offers more to consumers is just over the horizon is not good public policy. Rather than require universal use of CableCARDS by July 1, 2007, the Commission would better serve consumers if the agency would focus the industry's efforts on: 1) deploying downloadable security in a timely fashion; and 2) ensuring that subscribers who do not wish to rely on set-top boxes provided by their cable operators can access two-way, as well as one-way, cable services. In the meantime, subscribers who do not want to use set-top boxes provided by their cable operators would continue to be able to rely on CableCARDS.

The Commission has ample authority at its disposal to ensure that fully functional CableCARDS are available for subscribers who wish to use third-party devices. The Commission also has ample authority to establish a time frame for cable operators to develop and deploy "downloadable security." We look forward to working with the Commission as you consider this important issue.

With best wishes,



JOE BARTON
Chairman
House Energy and Commerce Committee

Sincerely,



TED STEVENS
Chairman
Senate Commerce Committee



FRED UPTON
Chairman
House Subcommittee on Telecommunications
and the Internet